

## **AFSC Updated Leaseholders on CALFA at Recent AGLA Town Hall**

AGLA held a virtual town hall on December 9 and part of the agenda was presentations from representatives from AFSC updating on CALFA.

Phase two of the CALFA initiative is opening on January 5, 2022. To apply you will need your AFSC client number, an inventory list of breeding females that you own on December 31, 2021 and proof of expenses or other supporting documentation incurred due to drought related costs from June 1, 2021 to December 31, 2021.

You are eligible to apply for assistance even if you did not apply in phase 1. If you participated in phase 1 and are applying again in phase 2, the payment received from phase 1 will be deducted from your final benefit.

This second phase of CALFA is based on a feed need calculation and/or extraordinary expenses that you incurred from June 1 to December 31, 2021.

For the feed need calculation:

Number of Extraordinary Feed Days	X	Feed Pounds per Day Required (based on animal type and class)	X	\$0.115 feed costs per pound
= TOTAL EXTRA FEED COST PER HEAD				
Total Extra Feed Cost per Head	—		Initial Payment per head	
= TOTAL SECONDARY PAYMENT (to a maximum amount per head based on animal type)				
Total Secondary Payment	X		Total Number of Eligible Animals	
= MAXIMUM SECONDARY PAY				

Extraordinary Feed Days = number of days you had your animals on feed above what you would in a normal year.

If you have extraordinary expenses not covered by the feed need calculation, you can claim items you purchased from June 1, 2021 to December 31, 2021 due to the drought. These can include, but are not limited to the following:

- Feed
- Temporary water provision (not covered by the CAP water program)
- Temporary fencing
- Transportation costs related to hauling feed, water or animals not normally incurred
- Pregnancy testing
- Other activities required to secure feed supplies or maintain the breeding herd.

The eligible extraordinary expenses will be paid out at 70 percent. The combined payment (phase 1 and phase 2) will not exceed the per head maximum by animal type set out in the CALFA terms and conditions (\$200 per head for cattle).

**You do not need to submit your proofs of expense with your application.** You will need those records if you are selected for the random audit of applications so make sure you have them handy, just in case.

The AFSC website has lots of information on the program under AgriRecovery. Alternatively, you can call the AFSC Client Service Centre at 1-877-899-2372 or reach out to your local AFSC branch office.

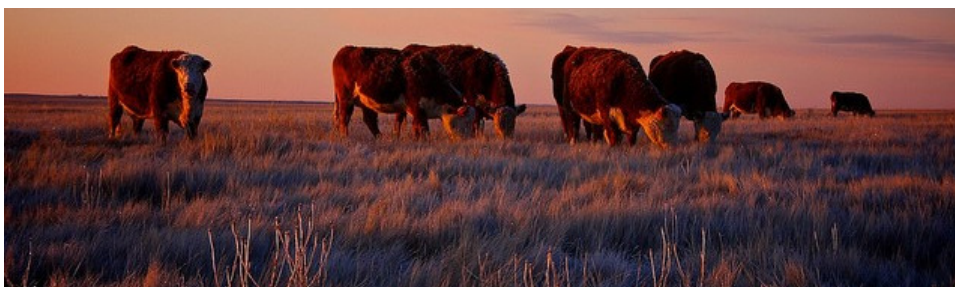


Photo: Linda Pierson

# **CHAIRMAN'S REPORT**

Another year behind us, that's probably the best way to look at 2021. This year brought a lot of uncertainty to our industry but my hope is that we've weathered the worst of it. As cattle producers, challenges are something we are never short of but with grit and determination we find a way.

Drought dealt a significant blow to our sector this year and we were pleased to see the department react swiftly in opening up measures aimed to relieve the burden on producers. A relaxation of policy around subletting allowed producers to take advantage of underused pasture. The opening of additional vacant Crown land for grazing and haying along with the extension of the grazing season in areas under permit should have helped to ease at least some of the burden producers have been facing to find adequate feed for their livestock. We are carefully watching the situation and will request additional measures be taken this spring should conditions call for it.

While the majority of our meetings with the department this year have remained virtual we were very happy the decision was made to go ahead with the in person Grazing Summit in mid-December. This meeting was attended by representatives from AEP including the deputy minister as well as representatives from AGLA, Western Stock Growers', Northern Alberta Grazing Association, Alberta Beef Producers, RMFRA and others. This was the first chance we've had to be able to sit in the same room with the department to discuss concerns the industry is facing. We left the meeting hopeful that these concerns had been heard and that the solutions suggested to provide stability to producers would begin to move faster through the necessary channels. Issues brought up included concerns with multiple use / overlapping dispositions, assignment / transfer fees, supplemental feeding and tree clearing / brush encroachment. Time will tell if these concerns have been taken seriously but with additional meetings scheduled for February there will be adequate time to hold their feet to the fire.

In the upcoming weeks you will see a few surveys arrive in your mailbox. The first will be the lease cost survey, undertaken by Serecon on behalf of AEP. This survey was last completed 5 years ago at the beginning of the rental rate modernization. The survey is scheduled to be completed this year as part of the agreed phase in period and after this will not be done again until 2032. It is important for producers to take the time to complete this survey as there have been many new and increased costs on producers in the last few years. Carbon tax, inflation and other market factors have significantly reduced the profitability of our operations and in order for those costs to be accurately accounted for in the rental rate, it is critically important producers provide the necessary information. If you have questions regarding this survey please don't hesitate to contact myself, Lindsye or your local director.

The other survey you will receive will accompany your membership renewal form. This survey on recreational access will help to better inform our advocacy and provide some direction when dealing with the department. Similar surveys aimed at recreational users on grazing leases have been undertaken by recreation lobby groups, ACA also undertook a survey of both landowners and recreational users on access to deeded properties. It is our hope that by asking these questions of our membership we will be better positioned to be proactive and act in your best interest when dealing with the recreational issues being brought forward.

On behalf of our board I'd like to thank all of our members for their continued support. None of our advocacy would be possible without producers being engaged or seeing value in the service we provide. I'd also like to thank our board of directors for volunteering their time and being a voice for the industry. It's important that we hear from producers across the province and with our network of directors I feel we are headed in the right direction. Details on our upcoming AGM will be out soon pending restrictions. Please plan to attend if you can and prepare a resolution if you feel there is something that requires our attention.

Thank you for your support  
Kyle Forbes



AGLA Chairman Kyle Forbes

## **2022 RENTAL RATES**

*Zone 1: \$3.25 / AUM*  
*Zone 2: \$1.94 / AUM*

The annual rental rates are calculated based on the market prices, recognizing costs of production, and ensuring that rates are fair to producers.

The modernized rental rate framework is founded on a two-zone system with a boundary based on the transition to the boreal region of the province – an area that incurs higher capital costs on grazing leases. These zones have different rental rates to reflect these differences in capital costs.

## **Moisture Deficiency Index Changes on the Table**

AFSC's Moisture Deficiency Index (MDI) program has a history of not being particularly useful for beef producers. This year, the failure of MDI has been way beyond the shortcomings we have grumbled about in the past. The payments did not reflect the lack of pasture growth at the farm level, causing widespread frustration that had many asking why they pay the premiums on this program.

Coming out of a producer consultation in November of this year, AFSC is putting forth recommendations for changes to the program. Please keep in mind these still need to be approved at the federal level. If these recommendations are accepted by the feds, the changes will not be backdated so unfortunately there will be no top up for the failures of 2021 coverage.

### **Recommendation 1: Increase the moisture threshold**

The current moisture threshold is 0.1 mm. The recommendation is to increase the threshold to 1 mm for any rain event to be included in

the overall precipitation calculation. This will mean that the overall precipitation in the calculation will be less but it could also increase the premiums per acre.

### **Recommendation 2: Include temperature triggers**

Temperature is not currently accounted for in the calculations but had a significant impact on pasture growth this year. The recommendation is to include a dual temperature trigger in the calculations. For every day that is 30 to 34 Celsius, the accumulated precipitation in the calculation will be reduced by 1 mm. For every day that is 35 Celsius or above, the accumulated precipitation in the calculation will be reduced by 3 mm.

AFSC told us in their update at the December 9 AGLA Town Hall that they will continue to research additional improvements that may make their programs more applicable to cow/calf producers. This includes how to use personal weather stations for higher accuracy and the possibility of including wind thresholds.

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## **PLEASE RENEW YOUR MEMBERSHIP AND KEEP IN TOUCH**

AGLA as an organization represents the interests of Crown land grazing leaseholders to government, bureaucrats and stakeholders. The work we do is critical because the value of the leaseholder to the continued stewardship and management of Crown lands is far too often diminished and dismissed. This needs to be a continual conversation with policy and decision makers or our value will be lost in the shuffle.

What we ask of you is not that much.

- 1) Support us by sending in your membership fee. \$50 per year is the best deal around for advocacy. Your membership fee pays for administration and expenses necessary for AGLA to be successful. We run as tight a budget as humanly possible but funds are still required.
- 2) Keep in touch. We are a voluntary membership organization which means we are accountable only to our membership. This

model relies on feedback and input from the membership. There are a few ways to give your input. We have heard from several members that they appreciate the convenience of virtual meetings so we will continue to use this platform. We also hope to hold in person meetings in 2022, subject to restrictions, stay tuned for those announcements. As always, our directors, executive and the office are open to all members. Please feel free to get in contact if you have an issue. This year we have included a recreation access survey to return with your membership renewal. The feedback received will help us so much in our advocacy on this issue. Please include stories and anecdotes of your recreational access experiences as these make excellent examples in our communications with government and stakeholders.

# PROPERTY RIGHTS AND GRAZING LEASES

*The following has been excerpted from AGLA's submission to the Select Special Committee for Real Property Rights in Alberta. To read the full submission, please go to our website [albertagrazinglease.ca](http://albertagrazinglease.ca)*

Grazing dispositions have been present in Alberta since 1881 and have helped ensure that Alberta's rangelands are maintained and provide all the benefits of a healthy, functioning, natural ecosystem. The management of Crown lands under grazing disposition is essentially a partnership between Alberta Environment and Parks and Alberta's grazing disposition holders.

Grazing disposition holders undertake a significant stewardship role on public lands; they are responsible for maintaining rangeland health and serve to both protect and maintain environmental values. The extensive experience and knowledge of grazing disposition holders is an important resource in ensuring the health of the rangelands. Crown lands under grazing disposition have benefitted from the intergenerational knowledge of its stewards, and the succession of those stewards depends on security.

Recognizing leases in common law is necessary in the grazing lease system for security. In Alberta, leaseholders bear the costs of improvements on grazing leases. This includes fences, water developments, tree or bush clearing and anything else required for them to meet their legislated requirements for stewardship.

Security of tenure, part of which is the lease being recognized in common law, builds a level of confidence for the leaseholder whereby a return of investment into the land will be realized. This builds true incentive for good stewardship into the system with very little capital investment on the part of government.

In short, a security of tenure model creates a system to ensure continual exemplary stewardship. Leaseholder ranchers given security of tenure will manage the land as their own; investing in the adaptive management and stewardship to maintain and increase the health of the rangeland in perpetuity. Security of tenure fosters a commitment to sustainable working landscapes that is lost if leaseholders are concerned the grazing disposition will be rescinded or not renewed. Continued stewardship of Crown land in Alberta is reliant on the recognition of property rights in grazing leases and legislation supporting it.

**RECOMMENDATION:** That this government honor the intent of the grazing lease instrument in Alberta and enshrine property rights for grazing leases in legislation once again, including but not limited to amendments to the *Public Lands Act* and the *Alberta Land Stewardship Act*.



Photo: Linda Pierson

## **2022 Lease Cost Survey—if you only do one survey, do this one**

The Alberta Grazing Lease Cost Survey is scheduled to be mailed out to 1,800 lucky leaseholders around January 5. The survey is to document costs associated with operating a grazing lease in various parts of Alberta, which will then be fed into the formula to determine the annual rental rates.

The new rental framework for Crown grazing leases was introduced in 2019, which includes a formula to calculate rental rate based on profitability (in years of lower or zero net profit, the rental rate is low; in years of higher net profitability, the rental rate is higher). It is crucial to have accurate data of leaseholder costs reflected in the rental rate formula. Additionally, operating costs have changed substantially over the past few years. For example, as the number of recreational and industrial users increase, so have the demands on leaseholders to manage and mitigate these uses.

To ensure that the cost information entered into the rental rate formula is current and accurate, Serecon Inc has been contracted to undertake an independent third-party Grazing Lease Cost Survey. It is important to emphasize that the individual farm data collected will be kept private and confidential. It will only be

reported to government in aggregate as necessary to update the rental rate formula. Your personal information will not be shared with anyone.

Completion of the survey by leaseholders will update the information from the previous lease cost survey done in 2015. The next survey is scheduled for 10 years down the road, which makes the completion of this one important for the true costs to be reflected in the rental rate. As you work through the survey, some questions may be difficult to answer. It is 100% acceptable to use your best estimates when detailed data is difficult to acquire.

We recognize that completing surveys is onerous and not what you want to be spending any of your free time on but this one in particular is important. It has direct impact to your operation through the rental rate. If you only do one survey – do this one.

If you are one of the lucky ones to receive the lease cost survey and have questions, don't hesitate to contact the AGLA office (587-435-4072) or ALGA Chairman Kyle Forbes (403-548-3183).

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## **AGLA CALL FOR RESOLUTIONS**

### **2022 = Double the opportunity to table resolutions**

Do you have an issue AGLA should be working on? Submit it in the form of a resolution.

Send in your resolution to [albertagrazinglease@gmail.com](mailto:albertagrazinglease@gmail.com)  
or 587-435-4072 or contact the director for your area

**Monday, February 7 at 7:00 pm—AGLA Virtual Meeting**  
**Thursday, February 10 at 1:00 pm (location TBD) —AGLA Annual General Meeting**  
To register for the virtual meeting contact the AGLA office

Resolutions submitted and tabled at the virtual meeting will be voted on by the membership at the AGM.



## **YOUR 2021-2022 AGLA BOARD OF DIRECTORS**

	<b>Position</b>	<b>Phone</b>	<b>Email</b>	<b>Town</b>
Kyle Forbes	Chairman (Zone A1)	403-548-3183	kaforbes@cciwireless.ca	Redcliff
Dan Gray	Vice Chairman (At Large)	403-633-1925	bdlgray@hotmail.com	Big Stone
Larry Sears	Past Chairman (Zone A)	403-625-0417	larrylsears@gmail.com	Stavelly
Darcy Wills	Treasurer (Zone A)	403-344-4312	drwills@cciwireless.ca	Coutts
Don Broomfield	Zone A Director	403-625-6368	broomfield.agla@gmail.com	Turner Valley
Brian Loewen	Zone B Director	780-210-2113	lfw@mcsnet.ca	Brosseau
Kevin Stewart	Zone B Director	403-741-4719	kedelinc@hotmail.com	Big Valley
Bill Heidecker	Zone B Director	403-578-7033	drylanderranch@gmail.com	Calgary
Brett Matthiessen	Zone C Director	780-242-1345	brett.matthiessen@gmail.com	Vilna
Perry Shwetz	Zone C Director	780-914-4931	Pa_of_6@hotmail.com	Waskatenau
Art Wheat	Zone C Director	780-847-2385	tbonecattleco@hotmail.com	Marwayne
Larry Gaultier	Zone D Director	587-343-2575	blgaultier@gmail.com	Grovedale
Kevin Meneice	Zone D Director	780-523-1252	kevinmeneice@gmail.com	High Prairie
Bill Smith	Zone D Director	587-343-5463	blksmith2C@gmail.com	Grovedale
Nick Villiger	At Large	780-897-2130	feedernick830@gmail.com	Beaverlodge
Regan Curry	Zone E Director	403-363-3563	rwccattle@outlook.com	Finnegan
Lee Fryberger	Zone E Director	403-793-1742	lee.fryberger@xplornet.com	Wardlow
Pat Rutledge	Zone E Director	403-577-2382	prutledge@netago.ca	Monitor

\* Board listing up-to-date until 2022 AGM in February

**KEEP US ACCOUNTABLE: Please feel free to reach out to any of our directors or to the office at the information below.**



**Alberta Grazing Leaseholders Association**  
 Box 1333, Okotoks, AB. T1S 1B3  
 (587) 435-4072  
[albertagrazinglease@gmail.com](mailto:albertagrazinglease@gmail.com)

[www.facebook.com/Albertagrazinglease](https://www.facebook.com/Albertagrazinglease)  
 Twitter: @ABgrazinglease